NOVEMBER 1979

Pension World

The Magazine for Plan Sponsors / A Publication of Communication Channels, Inc.

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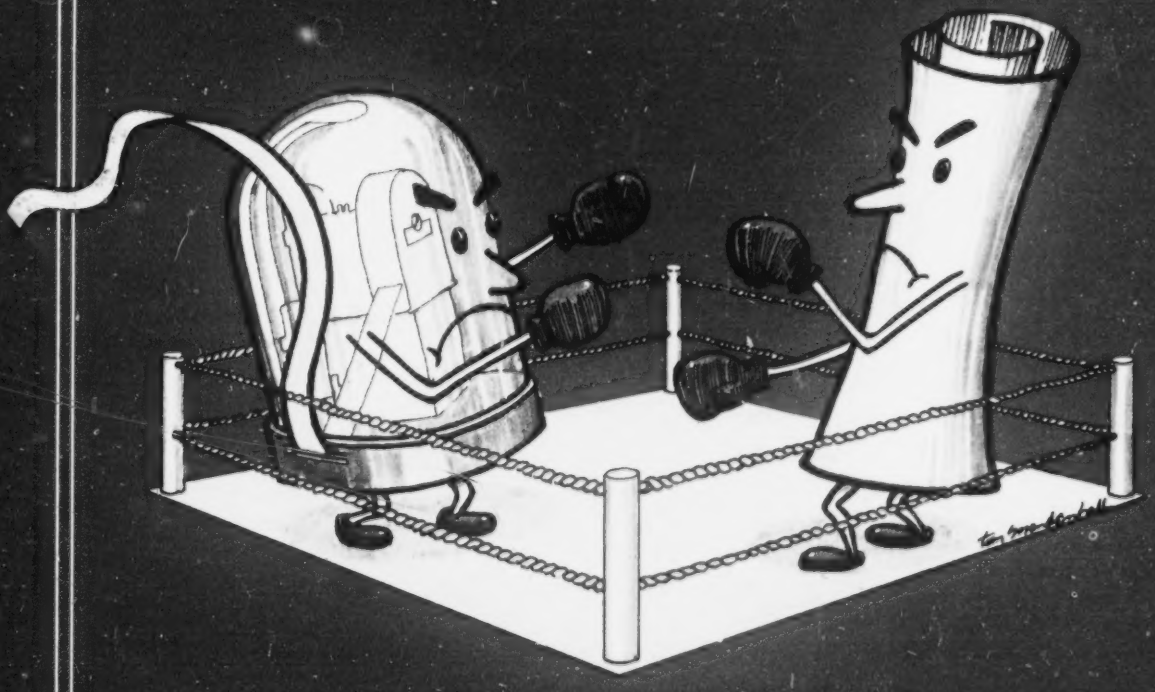
Debt securities vs equities

Does today's economy favor either?



Davis, First Boston...Hoffman, Merrill Lynch...
Rolland, Chemical Bank...pull no punches on the question.

Consumers Power–Walking the portfolio tightrope.

Sixth annual survey of state retirement systems.

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Volume 15, Number 11

The Magazine for Plan Sponsors / A Publication of Communication Channels, Inc.

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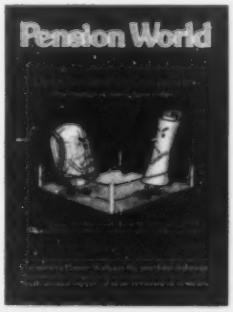

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Exclusive

6th Annual Survey

State Retirement Systems

- Where the money is.
- Who's managing it.
- How the portfolio is structured.

Name & Address of fund	Person to contact	Total assets (in millions)	Common stock (in millions)	Preferred stock (in millions)	U.S. Govt. securities (in mills)
Employees' Retirement System The Retirement Systems of Ala. 135 South Union St. Montgomery, AL 36130 205/832-4140	David G. Bronner Sec.-Treas., The Retirement Systems of Ala.	$ 747.1	$ 46.8		$ 3.9
Judicial Retirement Fund The Retirement Systems of Ala. 135 South Union St. Montgomery, AL 36130 205/832-4140	David G. Bronner Sec.-Treas., The Retirement Systems of Ala.	33.6			
Teachers' Retirement System The Retirement Systems of Ala. 135 South Union St. Montgomery, AL 36130 205/832-4140	David G. Bronner Sec.-Treas., The Retirement Systems of Ala.	1,843.0	83.7		14.4
Arizona State Retirement System P.O. Box 33910 Phoenix, AZ 85067 602/255-5131	Max Sullivan Director	1,273.2	310.6	310.6	302
Public Employees' Retirement Association of Colorado 1300 Logan Denver, CO 80203	Joseph P. Natale Exec. Secretary	1,486.3 (mkt.) 1,585.7 (bk.)	243.6 (mkt.) 243.9 (bk.)		121.7 (mkt.) 127.6 (bk.)
Fla. Retirement System Trust Fund Div. of Retirement Carlton Bldg. Room 530 Tallahasee, FL 32301	Robert L. Kennedy, Jr. State Retirement Dir.	2,915.5	158.3		15.6
Employees' Retirement System of Ga. 2 Northside 75 Atlanta, GA 30318 404/656-2151	Graham R. Lynch Dir.-Div. of Investment Services	615 (bk.) 593 (mkt.)	172 (bk.) 174 (mkt.)		69 (bk.) 67 (mkt.)
Teachers Retirement System of Ga. 2 Northside 75 Atlanta, GA 30318 404/656-2151	Graham R. Lynch Dir.-Div. of Investment Services	1,458 (bk.) 1,380 (mkt.)	434 (bk.) 430 (mkt.)		210 (bk.) 199 (mkt.)
State Universities Retirement System 50 Gerty Dr. Champaign, IL 61820 217/333-3860	Donald E. Hoffmeister Executive Director	751.2	282.6 (mkt.) 279.0 (bk.)	N/A	43.2 (mkt.) 46.2 (bk.)
Indiana Public Employees' Retirement Fund 143 W. Market St. Suite 800 Indianapolis, IN 46204 317/232-1606	Harold J. Egenes Exec. Secretary	541.2			208.7 (bk.) 195.9 (mkt.)
Iowa Public Employees Retirement System 1000 E. Grand Ave. Des Moines, IA 50319 515/281-5727	Ed R. Longnecker Director	954.9 (bk.)	78.0 (bk.)		187.0
Kansas Public Employees Retirement System 400 First Natl. Bank Tower One Townsite P'aza Topeka, KS 66603 913/296-3921	John K. Corkhill Executive Secy.	621.7	201.4	7	6.8
Kentucky Teachers' Retirement System 216 W. Main St. Frankfort, KY 40601	Pat N. Miller Exec. Sec.	731.8	108.4 (bk.) 91.4 (mkt.)		297.9 (bk.)
Louisiana State Employees Retirement System P.O. Box 44213 Baton Rouge, LA 70804 504/342-5070	Vernon Strickland Director	703.5	42.4	31.9	247.5
Maine State Retirement System State Office Bldg. Augusta, ME 04333 207/289-3461	William G. Blodgett Exec. Director	242.1	100.2	3	
Michigan Judges Retirement Fund P.O. Box 30026 Lansing, MI 48909	Gerald H. Miller Director-Dept. of Management & Budget	22.1	3.1		

Corporate bonds (in millions)	Mortgages (in millions)	Cash and short-term securities (in millions)	Other (in millions)	Reporting date	Investment advisers
$ 333.7	$ 48.9	$ 39.5	$ 274.4	9/30/78	Internal Admin.
3.0		1.8	28.8	9/30/78	Internal Admin.
727.5	142.1	75.0	800.2	9/30/78	Internal Admin.
339.6	72.7	246.4	1.9	6/30/78	Bernstein-Macaulay, Inc.; Citizens & Southern Investment Counseling, Inc.; Kemper Financial Services, Inc.; Scudder, Stevens & Clark, Inc.; Valley National Bank; First Pennsylvania Bank; Funds Advisory Co.; Blyth Eastman Dillon & Co., Inc.; E. F. Hutton & Co.; Fund Monitoring Services, Inc.
891.0 (mkt.) 966.0 (bk.)	160.9 (mkt.) 179.1 (bk.)	69.1 (mkt.) 69.1 (bk.)		6/30/78	Internal Admin. & Alliance Capital Management Corp.
2,612.9		126.5	2.1	6/30/78	Internal Admin.
324 (bk.) 302 (mkt.)	27 (bk. & mkt.)	18 (bk. & mkt.)	5	6/30/79	Internal Admin.; First Nat'l. Bank of Atlanta
708 (bk.) 647 (mkt.)	22 (bk. & mkt.)	66	17 (bk.) 15 (mkt.)	6/30/79	Internal Admin.; Citizens & Southern Nat'l. Bank
341.1 (mkt.) 375.7 (bk.)	N/A	50.3 (bk.)		8/31/78	Internal Admin.
221.4 (bk.) 204.3 (mkt.)		110.2 (bk.) 110.1 (mkt.)		6/30/78	Internal Admin.
586.2	2.2	101.5		6/30/78	Internal Admin./External Admin.
243.2		168.0	1.5	6/30/78	Centennial Capital Corp.; Capital Supvs., Investment & Cap. Mgmt.; George D. Blurman and Assoc.; Montag & Caldwell, Inc.; Reimer & Koger Assoc., Inc.
189.9 (bk.)	52.7	83.2	7	3/31/79	Todd Investment Advisors, Inc.
203.3	32.1	108.5	37.8	7/31/79	
104.1	7.2	5.5	24.8	6/30/78	Alliance Capital Management Corp.; David L. Babson & Co., Inc.; Massachusetts Financial Services, Inc.; Merchants National Bank of Bangor; Merrill Trust Co.; Morgan Guaranty Trust Co.; Putnam Advisory Co., Inc.
15.1		3.8	5	9/30/79	Internal Admin.

Name & Address of fund	Person to contact	Total assets (in millions)	Common stock (in millions)	Preferred stock (in millions)	U.S. Govt. securities (in mills)
Michigan Legislative Retirement Fund **Dept. of Mgmt. & Budget** P.O. Box 30026 Lansing, MI 48909	Gerald H. Miller Dir. Dept. of Mgmt. and Budget	16.6	12.4		
Michigan Municipal Employees Retirement System, Mason Bldg. 3rd Floor, East Wing P.O. Box 30026 Lansing, MI 48913 517/373-9317	Kenneth Recker Finance Director	287.7	51.2		66.7
Michigan Probate Judges Retirement Fund **Dept. of Mgmt & Budget** P.O. Box 30026 Lansing, MI 48909	Gerald H. Miller Director Dept of Mgmt. & Budget	5.8	.9		
Michigan Public School Employees Chapter I Retirement Fund **Dept. of Mgmt. and Budget** P.O. Box 30026 Lansing, MI 48909	Gerald H. Miller Director-Dept. of Mgmt. & Budget	2,582.7	2,276.4		
Michigan Public School Employees Chapter II Retirement Fund, **Dept. of Mgmt. & Budget** P.O. Box 30026 Lansing, MI 48909	Gerald H. Miller Director-Dept. of Mgmt. & Budget	382.4	363.7		
Michigan State Employers Retirement Fund **Dept. of Mgmt. & Budget** P.O. Box 30026 Lansing, MI 48909	Gerald H. Miller Dir.-Dept. of Mgmt. and Budget	861.0	146.3		
Michigan State Police Pension, Accident & Disabiliiy Fund **Dept. of Mgmt. & Budget** P.O. Box 30026 Lansing, MI 48909	Gerald H. Miller Dir.-Dept of Mgmt. and Budget	65.4	9.2		
Public Employees Retirement Fund **Minn. State Board of Investment** Room 105, MEA Bldg. 55 Sherburne Ave. St. Paul, MN 55155 612/296-3328	O. M. Ousdigian Exec. Director	484.1	263.5		36.5
State Employees Retirement Fund **Minn. State Board of Investment** Room 105, MEA Bldg. 55 Sherburne Ave. St. Paul, MN 55155 612/296-3328	Paul L. Groschen Exec. Director	253.0	136.6		21.5
Teachers Retirement Fund **Minn. State Board of Investment** Room 105, MEA Building, 55 Sherburne Ave. St. Paul, MN 55155 612/296-3328	Harvey W. Schmidt Exec. Director	522.8	274.6		38.9
Public Employees Retirement System of Mississippi 1704 Waltersillers State Office Bldg. Jackson, Miss. 39201 601/354-6737	Chas. D. Wilkinson Investment Mgr.	674.3 (mkt.)			48.5
Missouri State Employees Retirement System 900 Leslie Dr. Jefferson City, MO 65101 314/751-2342	Edwin M. Bade Exec. Sec.	196.8 (bk.)	42.2 (bk.)		51.0 (bk.)
Public Employees Retirement System Fund **Montana Board of Investments** Capitol Building Helena, MT 59601 406/449-2656	James R. Howeth Investment Officer	186.4	24.9		8.2
Teachers Retirement System Fund **Montana Board of Investments** Capitol Building Helena, MT 59[illegible] 406/449-2656	James R. Howeth Investment Officer	152.9	26.0		7.5
State of Nebraska Retirement Fund P.O. Box 9469[illegible] State Office Bldg. Lincoln, NB 68[illegible]9 402/471-2043	Donald J. Mathes State Investment Officer	98.8	11.6		40.8

Corporate bonds (in millions)	Mortgages (in millions)	Cash and short-term securities (in millions)	Other (in millions)	Reporting date	Investment advisers
		4.0	.3	9/30/78	Internal Admin.
94.9	8.0	66.9		9/30/78	Internal Admin.
3.5		1.4	1	9/30/79	Internal Admin.
		329.0	31.0	9/30/78	Internal Admin.
		14.7	6.9	9/30/78	Internal Admin.
592.8		128.4	11.3	9/30/78	Internal Admin.
45.3		11.4	1.1	9/30/78	Internal Admin.
164.4		19.8		6/30/78	Internal Admin.
		16.1		6/30/78	Internal Admin.
178.4		31.0		6/30/78	Internal Admin.
386.9	172.3	66.7		6/30/78	Internal Admin.
79.2 (bk.)	14.6 (bk.)	9.9 (bk.)		6/30/78	St. Louis Union Trust Co. & Research Mgmt. Assoc.
121.7	29.2	.9	1.5	6/30/78	Internal Admin.
89.7	28.1	1.5	.2	6/30/78	Internal Admin.
46.1			4	6/30/78	Internal Admin.

Name & Address of fund	Person to contact	Total assets (in millions)	Common stock (in millions)	Preferred stock (in millions)	U.S. Govt. securities (in mills)
New Jersey Div. of Investment 349 W. State St. Trenton, NJ 08625 609/292-5106	Roland M. Machold Director	5,992.3 (bk.) 5,418.9 (mkt.)	97.2 (bk.) 85.6 (mkt.)	6.6 (bk.) 4.8 (mkt.)	367.5 (bk.) 356.8 (mkt.)
Public Employees Retirement Assn. of New Mexico P.E.R.A. Bldg. Santa Fe, NM 87503 505/827-2818	Leonard Valdes Exec. Secretary	275.9	83.0		100.0
N. Carolina Retirement Systems 325 N. Salisbury St. Raleigh, NC 27611 919/733-7373	Christopher S. Moore, Dep. Treas. Dir., Investment & Banking Div.	3,678.6	420.5		603.1
Public Employees Retirement System of Ohio 277 E. Town St., Columbus, OH 43215 614/466-5155	J. Douglass Peter Director	4,438.7	1,181.5	6.2	163
Teachers Retirement System of Oklahoma State Capitol Box 53524 Oklahoma City, OK 73152 405/521-2387	Bill Ware Exec. Secretary	428.3 (mkt.) 392.9 (bk.)	23.5 (mkt.) 23.5 (bk.)		73.6 (mkt.) 72.8 (bk.)
Pennsylvania Mncpal. Employees Retirement Fund P.O. Box 1165 605 Executive House 101 S. Second St. Harrisburg, PA 17108 717/783-8124	Robert C. Rossman Sec.; Pa. Mcpl. Retirement Board	34.6 (bk.) 31.6 (mkt.)	6.5 (bk.) 6.6 (mkt.)	.05 (bk.) .045 (mkt.)	
Pennsylvania Public School Retirement System, 301 Chestnut St., Harrisburg, PA 17101 717/787-8546	M. Andrew Sheffler Exec. Director	4,096.5	385.1		
Pennsylvania State Employees Retirement System 204 Labor & Industry Bldg. Harrisburg, PA 17120 717/787-6293	Richard L. Witmer Secretary	2,496.8	433.1 (bk.)		176.8
S. Carolina Retirement System P.O. Box 11960 Capital Station Columbia, SC 29211 803/758-2146	Purvis W. Collins Director	1,375.3 (bk.)			268.7
S. Dakota Retirement System 216 E. Capitol Pierre, SD 57501 605/773-3731	Scott A. Bettin Investment Analyst	205.1 (bk.) 205.2 (mkt.)	78.1 (bk.) 82.7 (mkt.)		79.7 (bk.) 75.5 (mkt.)
Tennessee Consolidated Retirement System 1329 Andrew Jackson State Office Building Nashville, TN 37219 615/741-7063	Harlan Mathews State Treasurer	1,217.2*	314.5 (bk.)		273.0
Teacher Retirement System of Texas 1001 Trinity St. Austin, TX 78701	Leonard Prewitt Exec. Secretary	4,016.3	1,129.7		649.1
Vermont State Retirement Fund **Office of the State Treasurer** State Admin. Bldg. Montpelier, VT 05602 802/828-2305	Ed C. Gallison Dir. of Retire- ment Services	75.7	14.9 (mkt.) 14.2 (bk.)	.2 (mkt.) .2 (bk.)	12.6 (mkt.) 13.1 (bk.)
Virginia Supplemental Retirement System P.O. Box 6-C, Richmond, VA 23214 804/786-8807	Robert H. Daniel Investment Officer	1,425.1 (mkt.) 1,470.3 (bk.)	401.8 (mkt.) 369.1 (bk.)		372.0 (mkt.) 383.6 (bk.)
W.Va. Pub. Employees Retirement System Bldg. 6, Room 430, Charleston, WV 25305 304/348-2031	Lewis N. McManus Exec. Secretary	264.9			70.2 (par)
Wisconsin Investment Board 244 W. Washington Ave. Madison, WI 53702 608/266-2381	James M. LaFleur Exec. Director	1,2[illegible]6			695.4

*Includes Net Unamortized Premium or Discount on bonds (16,055,218.17)

Corporate bonds (in millions)	Mortgages (in millions)	Cash and short-term securities (in millions)	Other (in millions)	Reporting date	Investment advisers
166.6 (bk.) 1,286.6 (mkt.)	322.2 (bk.) 301.1 (mkt.)	693.9 (bk.) 670.6 (mkt.)	2,839 (bk.) 2,713.3 (mkt.)	6/30/78	Internal Admin.
71.5	12.8	4.1	4.5	6/30/78	Lionel D. Edie & Co.
2,616.6		38.4		3/31/79	Internal Admin.; Alliance Capital Mgmt. Corp.; Thorndike, Doran, Paine & Lewis, Inc.; Duff & Phelps, Inc.
2,766	44.4	203		6/30/79	Scudder & Stevens & Clark
298.4 (mkt.) 263.4 (bk.)		32.7 (mkt.) 32.7 (bk.)		6/30/79	Not Available
28.0 (bk.) 24.9 (mkt.)				3/31/79	Mellon Bank NA
2,998.6	573.5		139.3	6/30/78	Mellon Bank NA
1,590.0 (par)	212.6 (par)	84.3		12/31/78	Mellon Bank NA
1,002.1		28.8	75.7	6/30/78	Internal Admin.
7.3 (bk.) 7.0 (mkt.)		40.0 (bk.) 40.0 (mkt.)		6/30/79	Internal Admin.; Eagle Mgmt. & Trust
440.1		128.6	77.1	6/30/78	Internal Admin.
1,452.0	682.7	97.8	4.9	8/31/78	Internal Admin.; Duff & Phelps, Inc.
25.9 (mkt.) 27.6 (bk.)	4.2 (bk.)	5.3	9.7 (mkt.) 9.7 (bk.)	6/30/78	Internal Admin.
403.1 (mkt.) 469.4 (bk.)		160.9 (mkt.) 160.9 (bk.)	87.3 (mkt.) 87.3 (bk.)	6/30/79	The Bank of NY; Boston Company Institutional Investors, Inc.; Putnam Advisory Co., Inc.; Mass. Financial Services Co.
156.1 (par)	33.3 (par)	8.2	.04 (par)	6/30/78	Internal Admin.
		600.3		6/30/78	Internal Admin.

NOTE

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